STATE OF MINNESOTA

COUNTY OF CARVER

DISTRICT COURT FIRST JUDICIAL DISTRICT PROBATE DIVISION

In Re: Estate of:

Court File No. 10-PR-16-46

Prince Rogers Nelson,

Deceased.

ORDER & MEMORANDUM DENYING PETITION FOR COMPENSATION

The above-entitled matter came on before the undersigned on April 10, 2020, via telephone conference pursuant to Sharon, Norrine and John Nelson's ("SNJ"), Petition for Compensation filed March 12, 2020. Sharon Nelson appeared on behalf of SNJ. Joe Cassioppi, and Mark Greiner, Esq. appeared on behalf the Personal Representative. Eric Magnusson, Esq., Charles Spicer, Angela Aycock and Andrea Bruce were also on the call.

Now, based upon the file and proceedings herein, and the arguments of the parties, the Court makes the following:

## **ORDER**

- 1. SNJ's Petition for Compensation is respectfully DENIED.
- 2. The attached Memorandum is incorporated herein by reference.

	BY THE COURT:
Date: April <u>13</u> , 2020	
	Kevin W. Eide
	Judge of District Court

NOTICE:

A true and correct copy of this Order/Notice has been served by EFS upon the parties. Please be advised that orders/notices sent to attorneys are sent to the lead attorney only.

## MEMORANDUM

SNJ have petitioned the Court for "reasonable compensation to the Heirs for it's [sic] time, services and work on the Estate. In the alternative, SNJ ask that this Court instruct Comerica to reach an agreement with SNJ regarding a way that SNJ may receive possible consultancy payments in exchange for beneficial services provided to the Estate."

The Court is sympathetic to SNJ's frustrations at seeing virtually everyone affiliated with the Estate being paid for their services, while the Heirs are left waiting on a final distribution. Were the Court able to grant SNJ's Petition, it would do so gladly. Unfortunately, the Court has no authority to do so. Minnesota's Uniform Probate Code makes no provision for payment of compensation to heirs who contribute to the administration of an estate. *See* Minn. Stat. §§ 524.3-719 – 524.3-721.

Even if the Court had the authority to grant SNJ's Petition, doing so would result in the unreasonable creation of a potential liability to the Personal Representative. As the parties are well aware, the Estate remains liable for significant estate taxes in an amount which is yet to be determined. If an executor pays a debt due by a decedent's estate or distributes any portion of an estate before all the estate tax is paid, he is personally liable, to the extent of the payment or distribution, for so much of the estate tax as remains due and unpaid. *See* Minn. Stat. § 524.3-807. It would be unlawful and unreasonable to place the Personal Representative in the position of being potentially personally liable for discretionary payments made to the Heirs, whether they are characterized as compensation or distributions. Furthermore, on the record presented, the Court has no information on the specific services or benefits individual Heirs have provided to the Estate or the value of those services or benefits. As a result, the Court does not believe it would be able to order compensation to a limited subset of Heirs in a manner which was fair and equitable to all of the Heirs.

Because the Court lacks authority the grant SNJ's Petition, because even if it had the authority to grant SNJ's Petition, doing so would create an unlawful and unreasonable potential liability for the Personal Representative, and because the Court is unable to determine the specific Heirs' services to the Estate or the value of those services, SNJ's Petition for Compensation is respectfully denied.